



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 4/16/2003

GAIN Report #HR3008

Croatia

Grain and Feed

Update

2003

Approved by:

Paul Spencer-MacGregor

U.S. Embassy Vienna

Prepared by:

Andreja Misir

Report Highlights: The wheat crop is expected to be lower than last year and the exportable surplus will only be about 80,000MT. Low prices will slightly decrease corn production, and barley production will be stable.

Includes PSD changes: Yes
Includes Trade Matrix: No
Unscheduled Report
Vienna [AU1], HR

Wheat

There are conflicting official estimates of this year's wheat crop. According to the Ministry of Agriculture's accounting for subsidy payments, 185,086 ha in winter wheat has been sown. The Statistical Institute is reporting 204,534ha. Based on field visits, post estimates that winter wheat was sown on 195,000 ha, and that is about 11 percent less than the 2001/02 crop. The decrease in acreage is in part of a four year trend that is being encouraged this year by a new government support system that give higher returns to oilseeds and small grains. For oilseeds, the subsidy is Kn2,250/ha (\$315/ha) and smaller for grain crops Kn1,650 (\$231/ha).

The wheat crop overwintered well and is in a good condition. Conditions are dry. Adequate rain should result in a crop of about 840,000MT, which leaves a small surplus of about 80,000MT for export exports. Since Croatian wheat prices have tended to be higher than world prices, there were concerns in 2001/02 about Croatia's use of WTO-illegal wheat export subsidies for up to 250,000 MT of wheat. Although surpluses will be lower this year, it is unclear what mechanism the government would use to export the surplus (also see Gain Report HR3005).

Corn

The corn crop in 2003 is expected to be on the same level as in 2002 or a bit smaller. Corn prices in 2002 were low due to overproduction and stocks from 2001. Approximately 200,000MT of corn is forecast to be exported in the 2002/2003 marketing year to the following countries: Bosnia and Herzegovina, Albania, France, and Greece. From October to December of 2002 approximately 130,000MT of corn was exports, of which 70,000MT went to Greece.

Barley

Demand for barley has stabilized after a sudden increase brought on by the opening of a new malting facility with capacity of 50,000MT per year. Production is expected to be the same as 2002. In the fall, barley was sown on 41,423 ha according to the Statistical institute and it is expected that the total acreage after the spring sowing will be 50,000ha. Production in 2003 is forecast to be 170,000MT.

PSD Table						
Country	Croatia					
Commodity	Wheat				(1000 HA)(1000 MT)	
	2001	Revised	2002	Estimate	2003	Forecast
	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]
Market Year Begin		07/2001		07/2002		07/2003
Area Harvested	215	215	220	219	0	195
Beginning Stocks	429	326	329	331	329	291
Production	800	800	950	943	0	840
TOTAL Mkt. Yr. Imports	50	5	50	7	0	9
Jul-Jun Imports	50	40	50	7	0	9
Jul-Jun Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	1279	1131	1329	1281	329	1140
TOTAL Mkt. Yr. Exports	200	100	250	250	0	80
Jul-Jun Exports	200	300	250	250	0	80
Feed Dom. Consumption	50	45	50	40	0	40
TOTAL Dom. Consumption	750	700	750	740	0	740
Ending Stocks	329	331	329	291	0	320
TOTAL DISTRIBUTION	1279	1131	1329	1281	0	1140

PSD Table						
Country	Croatia					
Commodity	Corn				(1000 HA)(1000 MT)	
	2001	Revised	2002	Estimate	2003	Forecast
	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]
Market Year Begin		10/2001		10/2002		10/2003
Area Harvested	380	0	389	389	0	380
Beginning Stocks	398	200	391	0	211	308
Production	2110	0	2150	2400	0	2090
TOTAL Mkt. Yr. Imports	83	0	20	8	0	8
Oct-Sep Imports	83	0	20	8	0	8
Oct-Sep Import U.S.	12	0	0	0	0	0
TOTAL SUPPLY	2591	200	2561	2408	211	2406
TOTAL Mkt. Yr. Exports	50	0	100	100	0	100
Oct-Sep Exports	50	0	100	100	0	100
Feed Dom. Consumption	2050	0	2150	1900	0	1900
TOTAL Dom. Consumption	2150	0	2250	2000	0	2100
Ending Stocks	391	0	211	308	0	206
TOTAL DISTRIBUTION	2591	0	2561	2408	0	2406